



E-procurement of Crops

For Prelims: Meri Fasal-Mera Byora e-procurement, Minimum Support Price (MSP), e-NAM portal, Food Corporation of India, Commission of Agricultural Costs and Prices (CACP), APMC.

For Mains: Agricultural Marketing, Role of Technology in Agriculture

Why in News?

The **Haryana government** has launched the **Meri Fasal-Mera Byora e-procurement portal**. Due to this portal, Haryana has become the **first state in India where as many as 14 crops** are procured at the **Minimum Support Price (MSP)**.

- These crops include **wheat, mustard, barley, gram, paddy, maize, bajra, cotton, sunflower, moong, groundnut, tur, urad and sesame.**
- The portal is the testimony of increasingly adopting digital governance, as a means to improve farming and ensure enhanced income for farmers.

PYQ

Q. Consider the following statements: (2020)

1. In the case of all cereals, pulses and oil-seeds, the procurement at Minimum Support Price (MSP) is unlimited in any State/UT of India.
2. In the case of cereals and pulses, the MSP is fixed in any State/UT at a level to which the market price will never rise.

Which of the statements given above is/are correct?

- (a) 1 only
- (b) 2 only
- (c) Both 1 and 2
- (d) Neither 1 nor 2

Ans: (d)

What are the Key Points of Portal?

- The portal was started in the wake of the **Covid-19 pandemic.**
- In less than two years, 8.71 lakh or more than 80% of the total farmers in the state, registered on the portal in the rabi season.
- The portal seeks to provide an online sale facility, 81 mandis of the state have been linked with the

e-NAM (electronic national agriculture market) portal.

- The eNAM platform offers a pan-India electronic trading portal that networks the existing **APMC (Agricultural Produce Market Commodities)** mandis to create a unified national market for agricultural commodities.

How are crops procured?

- **Objective:** The Government policy of **procurement of Foodgrains** has broad objectives of ensuring MSP to the farmers and availability of food grains to the weaker sections at affordable prices.
 - It also ensures effective market intervention thereby keeping the prices under check and also adding to the overall food security of the country.
 - The procurement under **Price Support** is taken up mainly to ensure **remunerative prices to the farmers** for their produce which works as an incentive for achieving better production.
- **Nodal Agency:** **Food Corporation of India**, the nodal central agency of the Government of India, along with other State Agencies undertakes procurement of wheat and paddy under a price support scheme.
 - Coarse grains are **procured by State Government Agencies** for Central Pool as per the direction issued by the Government of India from time to time.
- **Role of CACP:** Before the harvest during each Rabi / Kharif Crop season, the Government of India announces the **Minimum Support Prices (MSP)** for procurement on the basis of the recommendation of the **Commission of Agricultural Costs and Prices (CACP)**.
- **Role of State Governments:** To facilitate procurement of food grains, FCI and various State Agencies in consultation with the State Government establish a large number of purchase centers at various mandis.

PYQ

Q. Which of the following factors/policies were affecting the price of rice in India in the recent past? (2020)

1. Minimum Support Price
2. Government's trading
3. Government's stockpiling
4. Consumer subsidies

Select the correct answer using the code given below:

- (a) 1, 2 and 4 only
- (b) 1, 3 and 4 only
- (c) 2 and 3 only
- (d) 1, 2, 3 and 4

Ans: (d)

How e-Mandi Will Help Farmers?

- **Monopoly of Middlemen:** With the existing infrastructure, the agricultural produce **only reaches the nearest Agri market** that is under the jurisdiction of the **APMC (Agricultural Produce Market Commodities)**.
 - After incurring the cost of traveling, packing, and sorting the produce, farmers arrive at the local mandis and wait to sell the perishable items.
 - Farmers have to rely on local agents for the sorting, grading, and other essential agriculture processes, thus relying heavily on middlemen who are not always trustworthy or honest.
- **Detrimental to Farmers' Interest:** This undeclared monopoly that seems to exist is staggering

the growth of goods and the free flow of the agricultural value chain and is also unjust to the local farmers and their livelihood.

PYQ

Q. What is/are the advantage/advantages of implementing the 'National Agriculture Market' scheme? (2017)

1. It is a pan-India electronic trading portal for agricultural commodities.
2. It provides the farmers access to nationwide market, with prices commensurate with the quality of their produce.

Select the correct answer using the code given below:

- (a) 1 only
- (b) 2 only
- (c) Both 1 and 2
- (d) Neither 1 nor 2

Ans: (c)

How Technology Can Help Agriculture?

- **Deployment of Modern Technology:** With the introduction of modern technology and digital machinery using techniques like [artificial intelligence](#), [blockchain](#), [machine learning](#), [climate-smart advisory](#), [geo-tagging](#), and the [internet of things](#), the agricultural sector has seen a substantial spike in the number of investors over the past few years.
 - Recently, the Prime Minister has flagged off [100 Kisan drones](#) in different cities and towns of India to spray pesticides in farms across India.
- **Benefits to Farmers:** Digital mandis are enabling farmers to **directly negotiate with wholesale traders and other local traders**, putting an **end to the middlemen** involved in the process who hamper their movement and freedom of choosing crop type, variety, and price point.

PYQ

Q. The Fair and Remunerative Price (FRP) of sugarcane is approved by the (2015)

- (a) Cabinet Committee on Economic Affairs
- (b) Commission for Agricultural Costs and Prices
- (c) Directorate of Marketing and Inspection, Ministry of Agriculture
- (d) Agricultural Produce Market Committee

Ans: (a)

[Source: IE](#)

